

## Frequently Asked Questions About C.L.U.E.

OFFICE OF THE COMMISSIONER OF INSURANCE

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### What is C.L.U.E.?

C.L.U.E. (Comprehensive Loss Underwriting Exchange) is a claims history database created by ChoicePoint that enables insurance companies to access consumer claims information when they are underwriting or rating an insurance policy.

### What information is included in a C.L.U.E. report?

The report contains consumer claim information provided by insurance companies. It includes policy information such as name, date of birth, and policy number, claim information such as date of loss, type of loss and amounts paid, and a description of the property covered. For homeowner's coverage, the report includes the property address and for auto coverage, it includes specific vehicle information.

### Is there any other information besides loss history in the database?

Only loss history information is stored in the database. No other sources of data, credit reports, criminal records, civil lawsuits, legal judgments are incorporated into C.L.U.E. reports.

### How long is loss history kept in the C.L.U.E. database?

The database contains up to 5 years of personal property claims history.

### Who contributes to the C.L.U.E. database?

Only insurance companies that subscribe to C.L.U.E. can submit loss data and access C.L.U.E. reports. Consumers can access C.L.U.E. reports on themselves and their own properties.

Some companies choose not to subscribe to C.L.U.E. Losses filed with nonparticipating companies will not appear on a C.L.U.E. report.

### How do insurers use C.L.U.E. reports?

C.L.U.E. reports are used almost exclusively to underwrite and rate new policies. Most insurers renewing existing policies do not access C.L.U.E. reports at renewal, largely because they already have loss histories for these properties in their own database.

### How did insurers obtain this information before C.L.U.E. was created?

Insurers have always utilized loss histories as a primary underwriting and rating factor for homeowner's insurance policies. Prior to C.L.U.E., insurers considering an application to write a new policy on an existing home obtained property loss histories in various ways: searching public records, requesting information from the applicant, and requesting information from the insurer currently writing the coverage for the property.

### Who has access to C.L.U.E.?

Insurance companies that contribute loss data to C.L.U.E. can withdraw information from the exchange. In addition, some insurance agents, with the authority of the company they represent, can withdraw data.

### Why are insurance companies allowed to obtain a copy of my loss history report?

Under the federal Fair Credit Reporting Act, ChoicePoint is allowed to produce a C.L.U.E. report for the following insurance-related purposes:

- When the consumer reporting agency has reason to believe a person or company intends to use the information in connection with the underwriting of a consumer's insurance policy. This includes situations where the consumer asks for an insurance quote or applies for insurance.
- When the request for the C.L.U.E. report is initiated by and at the request of the insurance company or agent.

### Can I order a C.L.U.E. report on property I want to purchase?

No. Under the federal Fair Credit Reporting Act, C.L.U.E. reports can only be accessed by the owner, insurer or lender for the property. However, you can request that the current owner of the property order a C.L.U.E. report.

### How can I obtain a copy of my C.L.U.E. report?

Under the federal Fair Credit Reporting Act you can request a copy of your C.L.U.E. report from ChoicePoint Consumer Disclosure, P.O. Box 105108, Atlanta, Georgia 30348-5108, or call toll free 1-866-527-2600.

### **How can I correct erroneous information on my C.L.U.E. report?**

If you discover an error on your C.L.U.E. report, an invalid claim report or an incorrect loss payment, for instance, you can contact ChoicePoint directly and report the problem. ChoicePoint will then contact the insurance company on your behalf and ask for clarification on the matter. The company has 30 days to respond to ChoicePoint and provide evidence that the information on the C.L.U.E. report is accurate. ChoicePoint will follow-up with the insurer after 20 days if the company does not respond and again after 28 days without a response. If the company does not respond within 30 days, ChoicePoint will remove the information from the database.

### **Can insurers add notes to a consumer's C.L.U.E. file?**

Only consumers can add notations to their individual C.L.U.E. reports. For instance, if a dog bite claim occurs and the homeowner gets rid of the dog, the consumer can add this notation to the C.L.U.E. report for the property. Insurance companies are not allowed to add notations to the database.

### **Can C.L.U.E. reports distinguish between an inquiry and a claim?**

C.L.U.E. reports indicate losses by type. Consumers should be aware that contacting their company or their agent to discuss an actual loss might be considered reporting a claim, even if the company does not end up making a claim payment. This is because when a loss occurs, the policy requires the company to take specific actions within specified time frames. Consumers should be specific as to whether they are filing a claim or only making an inquiry.

For instance, a consumer may contact his/her agent to report an event, such as a broken water pipe and to determine the extent of coverage in order to decide whether or not to go forward with the claims process with the company. The insurer might not indemnify the consumer for this loss for a variety of reasons; the amount of damage may be below the deductible; the consumer may decide to pay for the damage, or there may be no coverage for such a loss under the terms of the policy.

If the consumer filed an actual claim and the insurer made no loss payment on this claim, this information would be recorded by the company and may appear on a C.L.U.E. report.

An inquiry is generally regarded as a call by a consumer to a company representative or agent to discuss terms

of coverage including the extent of coverage on a specific loss. Many insurers are working on ways to inform their policyholders about the important distinction between a claim and an inquiry.

### **Can an insurance company use loss history from the prior owner of a home in determining my eligibility to get insurance on the home?**

If a company can show a relationship between the prior owner's loss and the probability of a future loss to the home, they may use the information. There are no laws that specifically govern the use of the prior owner's loss history in determining your eligibility for coverage.

### **Can the insurance company report claims to the C.L.U.E. database that are closed without payment?**

If those claims were reported to the company as a claim (not merely an inquiry about possible coverage) and subsequently denied, it would not be considered contrary to current law to report the claim to C.L.U.E.

C.L.U.E. has instructed insurers not to report inquiries about possible coverage.

### **Where to Go for Help**

If you have a specific complaint about your insurance, refer it first to the insurance company or agent involved. If you do not receive satisfactory answers, contact the Office of the Commissioner of Insurance (OCI).

For information on how to file insurance complaints:

(608) 266-0103 (In Madison) or  
1-800-235-8517 (Statewide)

### **Mailing Address**

Office of the Commissioner of Insurance  
P. O. Box 7873  
Madison, WI 53707-7873

### **Electronic Mail**

[complaints@oci.state.wi.us](mailto:complaints@oci.state.wi.us)

(please indicate your name, phone number, and e-mail address)

### **OCI's World Wide Web Home Page**

<http://oci.wi.gov>

Deaf, hearing, or speech-impaired callers may reach OCI through WI TRS.

For your convenience, a complaint form is included on OCI's Web site, <http://oci.wi.gov>.